

CONSOLIDATED INSURANCE TRUST
INVESTMENT PERFORMANCE REPORT AS OF DECEMBER 31, 2003

	December-03							September-03					Current FYTD		Prior Year FY03		3 Years Ended	5 Years Ended
	Allocation		Returns-Quarter		Returns-Month		Allocation		Returns-Quarter		Returns		Returns		6/30/2003	6/30/2003		
	Market Value	Actual	Policy (1)	Gross	Net	Gross	Net	Market Value	Actual	Policy (1)	Gross	Net	Gross	Net	Gross	Net	Net	Net
LARGE CAP DOMESTIC EQUITY																		
Structured Growth																		
Los Angeles Capital	21,676,033	1.9%	1.8%	9.19%	9.12%	2.16%	2.14%	19,857,766	1.9%	1.8%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
AllianceBernstein	-	0.0%	0.0%	N/A	N/A	N/A	N/A	-	0.0%	0.0%	N/A	N/A	N/A	N/A	-1.58%	-1.88%	-21.24%	-6.07%
Total Structured Growth	21,676,033	1.9%	1.8%	9.19%	9.12%	2.16%	2.14%	19,857,766	1.9%	1.8%	5.06%	4.99%	14.72%	14.56%	-1.58%	-1.88%	-21.24%	-6.07%
Russell 1000 Growth				10.41%	10.41%	3.46%	3.46%				3.92%	3.92%	14.74%	14.74%	2.94%	2.94%	-21.54%	-5.03%
Structured Value																		
LSV	21,894,476	2.0%	1.8%	15.78%	15.66%	5.36%	5.32%	18,954,419	1.8%	1.8%	3.87%	3.75%	20.26%	19.99%	-1.81%	-2.25%	8.84%	3.73%
Russell 1000 Value				14.19%	14.19%	6.16%	6.16%				2.06%	2.06%	16.55%	16.55%	-1.02%	-1.02%	-0.19%	1.05%
S&P 500 Index																		
State Street	98,107,068	8.8%	8.4%	12.17%	12.16%	5.25%	5.24%	87,461,451	8.2%	8.3%	2.65%	2.64%	15.14%	15.11%	0.28%	0.23%	-11.28%	-1.69%
S&P 500				12.18%	12.18%	5.24%	5.24%				2.64%	2.64%	15.15%	15.15%	0.25%	0.25%	-11.20%	-1.62%
TOTAL LARGE CAP DOMESTIC EQUITY	141,677,577	12.7%	12.0%	12.24%	12.20%	4.78%	4.77%	126,273,636	11.9%	11.9%	3.19%	3.15%	15.82%	15.74%	-0.33%	-0.48%	-9.33%	-1.90%
S&P 500				12.18%	12.18%	5.24%	5.24%				2.64%	2.64%	15.15%	15.15%	0.25%	0.25%	-11.20%	-1.62%
SMALL CAP DOMESTIC EQUITY																		
Manager-of-Managers																		
SEI	70,279,081	6.3%	5.9%	15.05%	14.82%	2.37%	2.30%	64,733,201	6.1%	5.9%	9.70%	9.48%	26.21%	25.71%	0.91%	0.09%	N/A	N/A
Russell 2000 + 200bp				15.07%	15.07%	2.20%	2.20%				9.60%	9.60%	26.12%	26.12%	0.36%	0.36%	N/A	N/A
TOTAL SMALL CAP DOMESTIC EQUITY	70,279,081	6.3%	5.9%	15.05%	14.82%	2.37%	2.30%	64,733,201	6.1%	5.9%	9.70%	9.48%	26.21%	25.71%	0.91%	0.09%	-3.49%	1.64%
Russell 2000				14.52%	14.52%	2.03%	2.03%				9.07%	9.07%	24.91%	24.91%	-1.63%	-1.63%	-3.30%	0.97%
CONVERTIBLES																		
TCW	133,063,821	11.9%	11.7%	10.09%	9.98%	3.80%	3.77%	120,979,345	11.4%	11.6%	1.95%	1.85%	12.24%	12.02%	10.67%	10.23%	-9.51%	3.90%
First Boston Convertible Index				8.54%	8.54%	2.79%	2.79%				2.67%	2.67%	11.44%	11.44%	15.46%	15.46%	-3.77%	5.29%
INTERNATIONAL EQUITY																		
Large Cap - Active																		
Capital Guardian	74,571,001	6.7%	6.2%	13.19%	13.03%	5.36%	5.32%	68,229,620	6.4%	6.3%	8.29%	8.14%	22.57%	22.23%	-9.79%	-10.31%	-15.85%	0.02%
MSCI EAFE - 50% Hedged				13.15%	13.15%	5.76%	5.76%				6.58%	6.58%	20.59%	20.59%	-11.24%	-11.24%	-15.51%	-5.33%
Small Cap - Value																		
Lazard	9,550,421	0.9%	0.8%	14.76%	14.50%	5.17%	5.09%	9,260,759	0.9%	0.8%	10.17%	9.92%	26.43%	25.86%	N/A	N/A	N/A	N/A
Citigroup Broad Market Index < \$2BN				13.31%	13.31%	6.10%	6.10%				15.95%	15.95%	31.39%	31.39%	N/A	N/A	N/A	N/A
Small Cap - Growth																		
Vanguard	10,247,802	0.9%	0.8%	14.34%	14.06%	6.17%	6.08%	8,984,731	0.8%	0.8%	15.24%	14.95%	31.77%	31.12%	N/A	N/A	N/A	N/A
SSB BROAD MARKET INDEX < \$2BN				13.31%	13.31%	6.10%	6.10%				15.95%	15.95%	31.39%	31.39%	N/A	N/A	N/A	N/A
TOTAL INTERNATIONAL EQUITY	94,369,224	8.4%	7.8%	13.47%	13.28%	5.43%	5.37%	86,475,110	8.1%	7.8%	9.14%	8.97%	23.84%	23.44%	-8.65%	-9.20%	-15.51%	0.27%
MSCI EAFE - 50% Hedged				13.15%	13.15%	5.76%	5.76%				6.58%	6.58%	20.59%	20.59%	-11.24%	-11.24%	-15.51%	-5.33%
DOMESTIC FIXED INCOME																		
Core Bond																		
Western Asset	312,438,548	27.9%	28.6%	1.66%	1.62%	1.43%	1.41%	303,966,523	28.6%	28.6%	-0.12%	-0.16%	1.54%	1.45%	12.97%	12.77%	11.23%	8.12%
Lehman Aggregate				0.32%	0.32%	1.02%	1.02%				-0.14%	-0.14%	0.17%	0.17%	10.39%	10.39%	10.07%	7.54%
Index																		
Bank of ND	167,426,190	15.0%	16.1%	0.08%	0.07%	1.05%	1.04%	166,281,665	15.6%	16.0%	-0.45%	-0.46%	-0.37%	-0.40%	13.33%	13.26%	10.87%	7.78%
Bank of ND CD'S	11,712,991	1.0%	1.0%	0.86%	0.86%	0.28%	0.28%	12,617,743	1.2%	1.2%	0.88%	0.88%	1.75%	1.75%	3.64%	3.64%	4.85%	5.09%
Total Index	179,139,181	16.0%	17.2%	0.14%	0.12%	0.99%	0.99%	178,899,408	16.8%	17.2%	-0.35%	-0.37%	-0.22%	-0.24%	12.26%	12.20%	10.35%	7.51%
Lehman Gov/Credit				-0.03%	-0.03%	0.99%	0.99%				-0.50%	-0.50%	-0.53%	-0.53%	13.14%	13.14%	10.82%	7.83%
BBB Average Quality																		
Strong	129,329,028	11.6%	11.4%	1.49%	1.46%	1.65%	1.64%	127,424,717	12.0%	11.4%	0.06%	0.02%	1.56%	1.48%	18.15%	17.91%	N/A	N/A
Lehman US Credit BAA				1.22%	1.22%	1.41%	1.41%				0.27%	0.27%	1.50%	1.50%	18.33%	18.33%	N/A	N/A
TOTAL DOMESTIC FIXED INCOME	620,906,757	55.5%	57.2%	1.18%	1.15%	1.35%	1.33%	610,290,648	57.4%	57.2%	-0.15%	-0.18%	1.03%	0.96%	13.93%	13.76%	11.00%	7.93%
Lehman Gov/Credit				-0.03%	-0.03%	0.99%	0.99%				-0.50%	-0.50%	-0.53%	-0.53%	13.14%	13.14%	10.82%	7.83%
CASH EQUIVALENTS																		
Bank of ND	57,584,867	5.2%	5.4%	0.29%	0.29%	0.10%	0.10%	55,193,542	5.2%	5.5%	0.30%	0.30%	0.59%	0.59%	1.57%	1.57%	3.26%	4.15%
90 Day T-Bill				0.26%	0.26%	0.10%	0.10%				0.25%	0.25%	0.50%	0.50%	1.52%	1.52%	3.33%	4.08%
TOTAL INSURANCE TRUST	1,117,881,326	100.0%	100.0%	5.27%	5.21%	2.40%	2.38%	1,063,945,482	100.0%	100.0%	1.80%	1.74%	7.17%	7.04%	8.85%	8.59%	2.63%	5.42%
POLICY TARGET BENCHMARK				4.26%	4.26%	2.09%	2.09%				1.40%	1.40%	5.71%	5.71%	8.73%	8.73%	3.31%	5.35%

NOTE: Monthly returns and market values are preliminary and subject to change.

(1) Because each fund within the Insurance Trust has a different policy allocation, the consolidated report reflects a weighted average of all of the funds' policy allocations.